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**Multi-stakeholder dialogue**

# Multi-stakeholder dialogue

## Note by the Secretariat

**Addendum**

## Discussion paper contributed by the workers and trade unions major group**

*Summary*

If the subject of forests is to remain in the political agenda at the national, regional and global levels, their benefits must be clear to society. A legally binding agreement that would promote the development of clear links with programmes for achieving internationally agreed development goals, especially those contained in the United Nations Millennium Declaration, would provide a coordinated focus for forest policy, would increase global resources available to Member States, including foreign direct investment, and, most importantly, would attack the root causes of deforestation. Without legally binding agreements, the impact of the socio-economic forces promoting deforestation and increases in poverty among forest-dependent peoples will persist unabated.

* E/CN.18/2005/1.

** Prepared by the International Federation of Building and Wood Workers (IFBWW).

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## Introduction

1. Global trade union federations and their affiliates routinely serve as advocates for decent work, sustainable social and economic development, and the rights of indigenous peoples. The International Federation of Building and Wood Workers (IFBWW), a global union federation that represents workers in the forest, wood and construction industries, with 10 million members in 127 countries, has been promoting sustainable forest management through:

(a) Poverty reduction activities, such as efforts to:

- Create legal, social and cultural support for enforcement and recognition of globally accepted labour standards in order to increase the wealth retained by forest-dependent communities
- Formalize the nature of forest work through the re-establishment of the employment relationship and establishing lines of legal responsibility between primary forest products employers and contractors
- Sponsor community forest projects aimed at increasing water and food security

(b) Labour standards harmonization in developing countries with significant forest products industrial sectors such as Brazil, Argentina, Peru, Chile, Malaysia and Indonesia;

(c) Capacity-development programmes for union affiliates on the topics of: sustainable forestry management, forest certification and poverty reduction;

(d) Promotion of International Labour Organization (ILO) core labour standards in forest certification schemes, national forest plans, international forest commodity agreements and criteria and indicators for sustainable forest management;

(e) Developing-country technology transfer in West and East Africa promoting afforestation, food and water security, and pan-endemic prevention education;

(f) Developing social dialogue with major forest products users and producers to promote the marketing of sustainably sourced forest products and adherence to core ILO labour standards, safety standards, and Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries.

2. IFBWW has a global network of national forest and wood unions that elects a Wood and Forestry Committee to provide policy and programme guidance in the periods between the convenings of its World Congress. IFBWW also maintains regional offices in Africa, Asia and South America in addition to maintaining its linkage with its affiliated organizations, the Nordic Federation of Building and Wood Workers and the European Federation of Building and Wood Workers. This network is coordinated by the IFBWW Global Wood and Forestry Director and regional representatives. This formal structure, which has been in existence for more than 50 years, enables IFBWW to communicate with wood and forestry workers and union members from across the globe.

# I. Assessment of implementation of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action

3. The Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action relevant to the trade union movement are those items based on addressing the social root causes of deforestation and unsustainable forest management. The programme elements as implemented by IFBWW are:

(a) Promoting reduction of poverty and of deforestation by advocating within the context of various national and international flora policies designed to increase the share of wealth generated by forests that remain available to forest-dependent communities and the forest workforce. Through its advocating for social protection standards to be incorporated into international trade agreements, forest certification schemes, and national forest plans, local communities and the forest workforce are empowered. Since earned income represents the largest single source of wealth for forest-dependent peoples, supporting the development and advancement of legal, social and cultural structures that empower these workers to retain a larger percentage of the wealth created by forests promotes development and modernization as well as improves social and economic equity which is a critical precondition for poverty reduction;

(b) Working with the private sector through private sector multi-stakeholder forums and with individual corporations to achieve the adoption of global framework agreements that require socially sustainable development and sustainable forest management through private sector action and voluntary sustainable forestry certification schemes targeted at developing countries. This work has focused on the development of social standards as a required component of sustainable forest management. This includes extending ILO core labour standards to all workers in the forest products value chain through forest certification schemes and global framework agreements;

(c) Assisting countries in the promotion of policies to secure a fair and equitable sharing of the benefits of forests for forest-dependent communities, the forest workforce, and indigenous peoples through local union capacity-building and through direct action with local tribes and communities to create community and joint tribal/union forestry ventures;

(d) Assisting affiliated national forestry and wood labour unions in developing policies and capacity to promote sustainable forest management in ecosystems affected by desertification and drought. This is being accomplished by working with unions in areas affected by desertification in Asia and through the development of community forestry projects in Kenya, Burkina Faso, Mali, Nigeria, Uganda and Ghana;

(e) Educating union members globally regarding the criteria of sustainable forest management and facilitating their active participation in the design of national forest programmes and poverty reduction strategies. This also enables national unions to participate in the development of criteria for the various forest certification-labelling schemes. This includes assisting national forestry and wood unions in opposing trade and macroeconomic restructuring policies that promote

poverty in rural areas and that act to reduce financial resources available to forest-dependent communities;

(f) Through the Global Wood and Forestry Programme, acting annually to transfer approximately 65 per cent of its funding to developing countries. This occurs through capacity-development training and the operation of forestry programmes in Africa, Asia and South America.

4. The primary obstacles to, and constraints on, the implementation of the social components of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action are the continued insistence by Member States, international financial institutions and many civil society and environmental non-governmental organizations solving socially based forest problems with environmental prescriptions. This continues because of the refusal of key institutional actors to recognize that the conditions that have created the problems of deforestation are still acting to drive forward deforestation today. A careful reading of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests texts demonstrates a clear understanding of the social root causes of deforestation yet the dominant neoliberal ideology of global trade and liberalization, which strengthen the poverty-deforestation nexus, remains unchallenged by other international instruments or by existing forest policy. Efforts to develop pro-forestry, pro-poor market-based solutions fail because they are subject to the same unregulated and unrestricted market system that promotes deforestation and increases in the numbers of forest-dependent peoples in poverty.

5. Trade liberalization and privatization of governmental services and forests in such countries as South Africa, Ghana, Indonesia and Panama demonstrate how these externally imposed neoliberal policies have destroyed national value-added forest products industries. This, in turn, has resulted in increases in the numbers of workers doing informal forest work, in illegally sourced wood fibre, and in the numbers of forest-dependent populations in poverty.

6. The failure of the global forest community to codify a legally binding document since as long ago as 1992 has contributed to the failure of forests to address the key phenomenon of socio-economic-induced deforestation.

7. As a result, global forest policy today remains fragmented, unfocused and incomplete. In particular, even though substantial progress has been made in terms of a global consensus on what is and what is not sustainable forest management, the three aspects of sustainable forest management in terms of the economic, social and environmental policy areas have yet to be fully integrated into a single global international forest policy or institution. The most important results of this failure to integrate these concerns in a single global institution are:

(a) The continued deforestation of natural forests;

(b) The ongoing conversion of natural forest to non-forest uses;

(c) Increasing numbers of rural forest-dependent populations in poverty;

(d) An ongoing legitimacy crisis facing the forest industry as a result of the above.

8. The current situation facing forestry is well documented in the report of the Ad Hoc Expert Group on Consideration with a View to Recommending the Parameters

of a Mandate for Developing a Legal Framework on All Types of Forests (New York, 7-10 September 2004) (E/CN.18/2005/2), and may be described as follows:

(a) The lack of a strong central voice on forest-related issues within the United Nations and the world has resulted in the lack of coherence among institutions and agencies that address forest-related issues, resulting in the marginalization of the role of forests and the importance of forest policy. This is especially the case in terms of social issues such as poverty reduction and employment;

(b) Forest-related issues receive a decreasing proportion of resources because there is no single institution to focus resources and attention. Because forest-related issues are cross-cutting ones, there are a myriad of instruments and institutions that address some aspect of forest policy. This acts to increase competition among these institutions for resources and political attention and results in many critical forestry issues being left behind;

(c) Despite the work and achievements of recent years at all levels, loss of forest cover and forest degradation, the root causes of which are social and economic, continue. Many experts have underlined their concern at this troubling fact.

9. Future international forest agreements must strive to address the social root cause of loss of forest cover and forest degradation with instruments that are legally binding. Without legally binding agreements, the impact of the socio-economic forces driving forward deforestation and increases in poverty among forest-dependent peoples will persist unabated.

10. A legally binding forest agreement would enable Member States and civil society to appear before other institutions such as the World Trade Organization, the international financial institutions and other United Nations organizations such as the United Nations Development Programme (UNDP) to promote pro-forest, pro-poor policies. Over time, this would enable global coordination to both focus more resources on forests and drive forward pro-forest trade, finance and development policies.

11. A legally binding agreement must focus on the root causes of deforestation and poverty among forest-dependent populations. Consensus would be more likely if the focus was on the social root causes of deforestation rather than on environmental prescriptions, which vary by forest type and by biozone. Developing measures based on environmental assessments of, for example, hectares of forest lost each year or hectares of forests under protected status are at least one step removed from the root cause and fail to provide adequate or proper direction to policy makers. Only by tackling the social root causes of deforestation will deforestation be mitigated. Neither the forest police, nor illegal harvesting prescriptions, however large their numbers, will alter the current situation as long as workers and the forest poor face the choice between illegal activity and failure to survive. Likewise, as long as commodity pricing is left to the vagaries of an insufficiently regulated market, illegal operators will continue to enjoy a competitive advantage over legal commercial forest operators.

## II. Conclusions

12. **If forests are to remain in the political agenda at the national, regional and global levels, their benefits must be clear to society. A legally binding agreement that promoted the development of clear links with programmes for achieving internationally agreed development goals, especially those contained in the United Nations Millennium Declaration (see General Assembly resolution 55/2), would provide a coordinated focus for forest policy, would increase the global resources, including foreign direct investment, available to Member States, and, most importantly, would attack the root causes of deforestation.**

13. **A legally binding forest agreement should provide a legal basis for addressing all forest-related issues in a holistic, balanced and comprehensive manner, by being focused on core issues such as deforestation and conversion of natural forests. This would contrast with the fragmented approach to forests in existing international legally binding instruments. A legally binding agreement on forests could reinforce existing forest-related obligations in these other international instruments and address problems of fragmentation and the resulting loss of focus on root causes.**

14. **There is a need to promote the priority of sustainable forest management in national and international agendas, strengthen the understanding of the positive contribution that sustainable forest management can make to other international and national priorities, and target poverty reduction and sustainable development as key factors in reducing deforestation. This makes the effort to establish a legally binding agreement a high priority for forest workers and union members.**

15. **While there are many reasons for not enacting a legally binding forest agreement, the reality is that since as for back as 1992, efforts to address deforestation through non-binding agreements have failed. Many positive contributions have been derived from the non-binding approach but reducing deforestation seems not to have been one of them. Neither the escalating environmental crisis, most notably exemplified by global warming, nor the forestry crisis, will be resolved by voluntary measures. The consequences of inaction are too high.**

## III. Recommendations

16. **There exists a need for an international arrangement to provide guidance, including global policy dialogue and development, and a supportive structure for intergovernmental institutions at all levels. Such an international agreement should be based on a legally binding forest agreement that focuses on reducing deforestation by promoting poverty reduction among forest-dependent peoples. This could include:**

- **Forest commodity pricing structures that recognize and reward those who engage in sustainable forest management.**
- **National forest policy guidelines that aim to increase the proportion of forest wealth that remains in forest-dependent communities.**

- **Promotion of social dialogue activities among direct stakeholders including:**
  - **Support for the formation of organizations representing landowners, the forest workforce, and indigenous peoples insofar as social dialogue is most effective when the social partners have equal opportunities for organization and representation**
  - **Promotion of co-determination of governance requirements for local primary stakeholders, which differs both from privatization and from decentralization of forest management**
- **Promotion of wealth-generating activities including non-timber forest products and environmental services.**
- **A chain of custody auditing procedures to document legality and sustainability of source fibre for retailers of all forest products.**
- **Consumer education on the viability of sustainably managed forest products as compared with non-renewable, carbon-emitting competitive products.**
- **Continued development of a global consensus on sustainable forest management and a process for developing and implementing criteria and indicators.**
- **Creating a legal obligation for reporting by countries on progress in implementing sustainable forest management.**